

Orange County, Indiana
2007 Pay 2008 Budget Order

An analysis of the data with the 2007 Pay 2008 Budget Order for Orange County shows that the budgets, levies and tax rates to be approved are in compliance with Indiana statutes.

Orange County has no cross-county units.

Orange County has one conservancy district, Springs Valley Conservancy District. A Conservancy District is a special taxing district created to provide flood control, irrigation, potable water or wastewater service within a specified area. The cost of providing these services are charged to landowners in the form of a special assessment based on the benefit provided. These special assessments are added to the property tax bill of each landowner and collected along with property taxes. Since the benefit derived may not relate to the assessed value of the property, these assessments are normally expressed in terms of dollars of assessment and not as a tax rate per \$100 of net assessed value. Therefore, the Conservancy District special assessment has not been included in this analysis.

Changes in Local Tax Levies

Tax levy increases are made up of routine increases in controlled levies, increases in tax rate controlled levies and debt service levies. Controlled levies increase based on an annual growth factor or excess levy appeals. Tax rate controlled levies increase based on increases in assessed value applied to a specific tax rate (tax rates are adjusted downward to eliminate the effect of reassessment or trending).

The total net increase in tax levy for Pay 2008 on a county-wide basis was \$319,782 or 2.37%. Following are the levy changes that were greater than \$1 million or a 10% change over the previous year levy. The largest total dollar increases in levy were due to the Orleans Community School Corporation (\$164,326) and the County Unit. (\$82,585).

Orange County

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$1,254,283	\$1,335,089	\$80,806	6.44%
Cumulative Bridge	395,689	422,943	27,254	6.89%
Children's Psychiatric Res Treatment	21,560	-0-	-21,560	-100.00%

Orange County Welfare

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Welfare - Family and Children	\$133,164	\$126,178	-\$6,986	-5.25%

Total County levy increased by \$82,585 or 3.77%.

Northeast Township

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Township Assistance	\$481	\$4,851	\$4,370	908.52%

Total Township levy increased \$6,153 or 178.24%. Township received an excess levy appeal for Emergency Assistance in the amount of \$4,245 for 2008.

Stamperscreek Township

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Township Assistance	\$-0-	\$4,424	\$4,424	-%

Total Township levy increase of \$4,691 or 106.13%. Township received an excess levy appeal for Emergency Assistance in the amount of \$4,446 for 2008.

Orleans Community School Corp

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$739,408	\$888,966	\$149,558	20.23%
Capital Projects	350,581	430,237	79,656	22.72%
Bus Replacement	40,682	27,671	-13,011	-31.98%

Total School levy increase of \$164,326 or 7.13%.

Orange County Fire Protection District

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Special Fire General	\$115,706	\$132,256	\$16,550	14.30%

Total Fire District levy increase of \$24,632 or 12.92%. Fire District received a \$10,000 excess levy appeal for volunteer fire in 2008.

No units in the County exceeded the working maximum levy. All units in the County levied up to or near their working maximum levy.

No units in the County exceeded the normal statutory growth rate for controlled fund levies.

Changes in Real Property Gross Assessed Values

Real Property Gross Assessed Values increases by property class are as follows.

<u>Class</u>	<u>% Increase</u>
Agriculture	11.71%
Industrial	9.55%
Commercial	93.68%
Residential	6.61%
Exempt	-55.59%
Utility	17.87%

Changes in the proportion of Gross Assessed Value by Class can create a burden shift from one class to another. The proportion (mix) of values of real property by class (this can represent the relative tax burden by class, except that it does not include the impact of deductions or credits).

<u>Class</u>	<u>2007 Ratio</u>	<u>2008 Ratio</u>
Agriculture	27.04%	26.73%
Industrial	7.37%	7.14%
Commercial	10.37%	17.78%
Residential	47.94%	45.23%
Exempt	6.89%	2.71%
Utility	0.39%	0.41%

As can be seen from the analysis, a shift from residential, industrial, exempt, and agricultural property to commercial and utility property occurred. This shift was approximately 7.43%, with commercial receiving 7.41% of the total.

Change in Net Tax Rates

Changes in net tax rate by district were as follows.

<u>District</u>	<u>Change in NAV</u>	<u>Change in Levy</u>	<u>Change in Gross Tax Rate</u>	<u>Change in Business Personal Property Net Tax Rate</u>	<u>Change in Real Estate and Other Personal Property Net Tax Rate</u>	<u>Change in Homestead Net Tax Rate</u>
FRENCH LICK TOWNSHIP	10.07%	-4.74%	-13.46%	-14.14%	-14.25%	-25.79%
FRENCH LICK TOWN	28.23%	8.57%	-15.33%	-16.10%	-15.72%	-29.50%
WEST BADEN TOWN	8.28%	-7.83%	-14.87%	-15.51%	-14.83%	-30.22%
GREENFIELD TWP	13.87%	5.55%	-7.31%	-6.88%	-4.73%	-17.83%
JACKSON TWP	11.74%	1.08%	-9.54%	-9.55%	-9.53%	-22.28%
NORTHEAST TOWNSHIP	15.06%	12.85%	-1.92%	-1.84%	-0.36%	-11.54%
NORTHWEST TOWNSHIP	13.41%	0.27%	-11.59%	-11.97%	-11.88%	-24.57%
ORANGEVILLE TOWNSHIP	11.12%	7.81%	-2.97%	-3.05%	-1.67%	-13.07%
ORLEANS TOWNSHIP	10.68%	7.46%	-2.91%	-2.98%	-1.60%	-13.04%
ORLEANS TOWN	6.00%	4.35%	-1.56%	-1.44%	0.38%	-14.05%
PAOLI TOWNSHIP	10.36%	2.42%	-7.19%	-6.73%	-4.63%	-17.60%
PAOLI TOWN	5.68%	-1.55%	-6.84%	-6.41%	-4.19%	-19.58%
SOUTHEAST TOWNSHIP	7.03%	-0.68%	-7.20%	-6.74%	-4.64%	-17.38%
STAMPERS CREEK TOWNSHIP	10.03%	3.00%	-6.40%	-5.73%	-3.44%	-16.18%
Average	11.16%	2.37%	-8.60%	-8.74%	-7.59%	-20.72%

Downward pressure on tax rates came from increases in Assessed Value due to trending and the increased Homestead Credit rate.

Upward pressure on tax rates came from increases in tax levies.

The estimated reduction in net homestead tax bills for Orange County is 45.25%.

Assessment Status

The DLGF has prepared an analysis of assessed valuation change by property class based on a review of parcel data. The results of this analysis are summarized in the table below:

Property Class	Percent of Parcels with Identified Assessed Valuation Change					
	<u>Decrease</u>	<u>No Change</u>	<u>0 – 10% Increase</u>	<u>10 – 30% Increase</u>	<u>30 – 100% Increase</u>	<u>More Than Doubled</u>
Commercial	8.6%	11.7%	31.7%	31.7%	11.9%	4.5%
Industrial	4.5%	35.8%	24.4%	23.3%	6.8%	5.1%
Residential	2.7%	10.4%	67.6%	14.6%	2.7%	2.0%
Overall	1.9%	12.7%	44.3%	30.0%	9.5%	1.6%

TIF Neutralization Worksheets

The County has several Tax Increment Areas. A Tax Increment Financing (TIF) Neutralization Worksheet must be completed for each TIF District in order to calculate tax increment generated by real property growth rather than increases in assessed valuation due to reassessment or trending. The TIF Neutralization Worksheets were reviewed for both numerical accuracy and for logical analysis and completeness.